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C O N F I D E N T I A L SECTION 01 OF 03 MANAMA 001979

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SUBJECT: GOB SPECIFIES BAHRAIN STRIKE BAN SECTORS

Classified By: DCM Susan L. Ziadeh for reasons 1.4 (b) and (d).

¶1. (U) This is an action request. Please see para 12.

Summary

¶2. (C) Prime Minister Shaikh Khalifa Bin Salman Al Khalifa issued an executive order November 20 that bans labor union strikes at facilities deemed to be in vital sectors. Going beyond the text of the 2002 Labor Union Law, the order extends the vital sectors definition to the oil, gas, and education sectors and even to health centers, pharmacies, and bakeries. The General Federation of Bahraini Trade Unions (GFBTU) said it would present the case to international labor organizations to demand the right to strike. GFBTU Deputy Secretary General Sayed Salman Al Mahfoodh said that the

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federation would also raise the issue with the new parliament after the elections and push to limit the government's authority to identify sectors with a ban on strikes. Several leaders of large Bahraini unions Emboffs spoke with expressed their concern about the weakening of the power of Bahraini workers. Director of Labor Relations at the Ministry of Labor Shaikh Ali Bin Abdulrahman Al Khalifa said that there had not been opposition to earlier legislation in this area, and he dismissed the reaction to the PM's order as largely political due to the elections. End summary.

¶3. (U) A 2006 amendment to the 2002 Labor Union Law gave the Prime Minister the authority to issue an executive order changing the sectors in which a ban on strikes would be enforced, which previously had been security, civil defense, airports, sea ports, hospitals, transportation, telecommunications, electricity, and water. The PM issued executive order 62 of 2006 on November 20 that extends the ban to health centers, pharmacies, means of transportation (people and products), oil and gas, education, and bakeries, in addition to the sectors stated in the 2002 law. According to the order, strikes are banned in locations at which the occurrence of strikes "could disturb the national security or disrupt the course of daily life for the public."

Labor Federation Indignation

¶4. (U) The GFBTU issued a statement November 21 rejecting the PM's order, saying that it would take the case to Arab

and international labor organizations to demand the rights of workers to strike. GFBTU spokesperson Jaffar Khalil said publicly that the federation considered this a step backward for Bahrain's union movement. The order goes against the trade union law, which accepts strikes as a peaceful and legitimate form of action to protect the economic and social benefits of workers. Khalil said that the federation would consider legal action to prevent enforcement of the order. He said that the federation agreed that there could be restrictions on strikes in the health care sector and electricity production, but the federation was against the ban on strikes in the other sectors.

¶15. (U) GFBTU Deputy Secretary General Sayed Salman Al Mahfoodh also told the press that the order goes against all international labor conventions that define "vital facilities." Including airports, hospitals, educational institutions, and oil and gas facilities as vital facilities, and therefore banning strikes there, goes against international standards. He said the federation would raise the issue with the new parliament and ask it to amend the authority given to the executive to determine the sectors in which strikes are banned.

¶16. (C) In a conversation with Emboff November 23, Al Mahfoodh stated that the federation should have been consulted before drafting such an order. The federation must be a partner in discussing, drafting, and amending regulations that have the potential of weakening workers' rights in Bahrain. Al Mahfoodh scoffed at the inclusion of bakeries in the order's list, asking rhetorically, "What effect does a bakery strike have on national security?"

Political Society and Union Reaction

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¶17. (SBU) In an Al Wifaq political society press release November 23, the society stated that this kind of decision must involve all three labor stakeholders - government, management, and workers - and not be declared unilaterally, since this kind of decision affects a very large number of workers. At a gathering of supporters that evening at a campaign tent, Al Wifaq Secretary General Shaikh Ali Salman stated that this step affects labor's morale and weakens the workforce. He advised the government to develop a positive approach to increasing worker salaries and promoting a more labor-friendly workplace.

¶18. (C) Batelco (Bahrain Telecommunication Company) Trade Union President Maki Isa told Emboff November 23 that the union was currently in the process of negotiating a salary increase with Batelco's executive management. However, this new order undercuts the union's bargaining position, taking away the leverage contained in a strike threat. Without the option of strikes in these fields, the unions, and by extension the federation, are weakened.

¶19. (C) In a conversation with Emboff November 28, Bahrain Airport Services Trade Union President Abdulla Hussein expressed his concern that the executive order appears to include all those involved in airport services, logistics, retail sales, and employees in the national air carrier Gulf Air. He said most countries only recognize air traffic controllers as vital employees. He stated that the language of the order is vague, so it is unclear how far it will extend, but at the airport it could affect up to 4,000 Bahrainis who work there.

Ministry Claims Criticism Politically Motivated

¶10. (C) When asked about the reaction to the order by the

federation and unions, Director of Labor Relations at the Ministry of Labor Shaikh Ali Bin Abdulrahman Al Khalifa told Poloff November 29 that the reaction was largely politically motivated. He drew attention to GFBTU Deputy Secretary General Al Mahfoodh's candidacy in the parliamentary election. Shaikh Ali said that there had not been any objection to the 2002 legislation when it was originally passed, nor was there opposition to the 2006 amendment allowing the Prime Minister to specify the vital sectors. He explained that ever since the Labor Union Law was passed in 2002, the Ministry has worked with the federation and individual unions to try to build their capabilities to work constructively to address the concerns of workers. Claiming it is unique to Bahrain among all Arab countries, the Ministry convinced employers to allow union heads to be exempted from all work responsibilities, while receiving their full salary, so they can focus all their attention on worker concerns. The Ministry has held two of a scheduled three meetings to encourage the GFBTU and the Bahrain Chamber of Commerce and Industry to hold bilateral meetings over issues of concern without the need for the Ministry of Labor's involvement. In conclusion Shaikh Ali said that the Ministry has always tried to strike a balance in its position between labor and management. "If we back business too much, there are problems for workers; if we back workers too much, business will be affected, thereby affecting the economy and the investment climate."

Comment

¶11. (C) The reaction to the PM's edict was swift and strong, even as most of the country's attention was focused on the then imminent elections. Although the spirit of this ban appears more far-reaching than previous legislation, there is an ambiguity about how far the ban actually extends in each particular sector. It may take Ministry of Labor action or court decisions to clarify some of these questions if and when the executive order is applied.

Action Request

¶12. (C) Although it is still unclear how far this new strike ban will reach, on the face of it the PM's executive order appears to retreat from the spirit of commitments voiced during FTA negotiations to implement legislation ensuring the

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protection of labor rights. Post seeks guidance with talking points that Emboffs may use to engage GOB officials on this issue. In conjunction with the Bahraini parliamentary elections, a new government will be formed within the next seven to ten days, and Post expects several new ministerial appointments. Post would seek to deliver talking points to any new Minister of Labor and others concerned with FTA implementation and labor matters.

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